

NEW SOUTH WALES.

BUSINESS STATISTICS . MAY, 1944.

C O N T E N T S.

PART I

PRIMARY & EXPORT INDUSTRIES.

RURAL INDUSTRIES - GENERAL. Seasonal conditions. Ceiling prices fixed for stock fodder in N.S.W.

WHEAT: Fourth advance from 1941/42 wheat pool. Wheat stocks.

WOOL: Sydney and Australian appraisements.

DAIRY INDUSTRIES: Fresh milk for householders rationed to 80%. Butter production in N.S.W. and Australia, March, 1944. Subsidies for butter, cheese, etc. and fresh milk.

PART II

FINANCE & TRADE.

GENERAL: 1st Victory Loan subscribed: Maximum prices fixed for certain imported cotton goods.

COMMONWEALTH ACCOUNTS. April, 1944.

STATE ACCOUNTS: April, 1944.

TRADING BANKS: March, 1944.

BANK CLEARINGS: March, 1944.

NOTE ISSUE: April, 1944.

REAL ESTATE: Sales and Mortgages, April, 1944.

WIRELESS LICENSES: At 31st March, 1944.

PART I - PRIMARY AND EXPORT INDUSTRIES.

Seasonal conditions. The dry spell was broken in south eastern areas of the State by heavy rains in the first half of May; these will benefit fodder and other crops but are too late to make an appreciable difference to winter pastures. Light to moderate falls of a patchy nature benefited parts of the Riverina and Central districts but in all inland and northern coastal and Tableland areas the urgent need remains for good general rains.

RAINFALL INDEX - N.S.W.

Weighted average ratio of actual to normal rainfall.
Normal rainfall each month = 100.

Month	Sheep	Wheat Districts	Dairying (Coastal) Districts
1943 - Oct.	90	83	147
Nov.	170	171	209
Dec.	50	32	176
1944 - Jan.	45	28	178
Feb.	58	32	37
Mar.	41	49	50
Apr.	61	80	28

Ceiling prices have been fixed for fodder in N.S.W.; e.g., at country sidings, oaten and wheaten chaff £7.12.6 ton, lucerne chaff £9.15.0, oaten and wheaten hay £6.5.0, lucerne hay £8.12.6, feed oats 3/3 bushel. The Prices Commissioner stated that these prices were on rather a liberal scale because of acute shortage due to dry conditions; they are to be regarded as partly seasonal and subject to review when conditions ease". Growers organisations have protested that the ceiling rates are well below open market prices that were being obtained.

A committee representative of Food Control, Department of War Organisation of Industry, Prices Commission, Department of Agriculture and the Vegetable Growers Ass'n. has been appointed to consider vegetable production and marketing problems in N.S.W.

WHEAT.

A fourth advance, 3d. a bushel, on wheat in the No. 5 Pool (1941/42 harvest) has been announced. The total advance to date, after deducting freight, is 3s.4.4d. a bushel.

Stocks of wheat held in each State and estimated local needs to the end of the year, as revealed by the Chairman of the Australian Wheat Board, are shown below -

	Stocks at <u>22.4.44.</u>	Local needs to the end <u>of year.</u>	Available for export and <u>carryover.</u>
		million	bushels.
N.S.W.	50	16	34
Victoria	42 $\frac{1}{2}$	14	28 $\frac{1}{2}$
South Australia	48 $\frac{1}{2}$	3 $\frac{1}{4}$	45 $\frac{1}{4}$
West "	42 $\frac{3}{4}$	3	39 $\frac{3}{4}$
Queensland	3 $\frac{3}{4}$	6 $\frac{1}{2}$	(-) 2 $\frac{3}{4}$
Tasmania	$\frac{1}{2}$	1	(-) $\frac{1}{2}$
Australia	<u>188</u>	<u>43$\frac{3}{4}$</u>	<u>144$\frac{1}{4}$</u>

/The Chairman.....

The Chairman stated that wheat sold (including flour) but not yet shipped amounts to 48 m. bushels, thus leaving, on the current outlook, stocks of about 96 m. bushels at the end of the year. Flour mills are working at full pressure and next year's flour output is expected to be a record. Large quantities of wheat are being used for stock fodder and since 1st January as much has been used for this and general purposes as for flour for local consumption.

WOOL.

The final Sydney appraisement series is scheduled to begin on 19th June. To early May arrivals of wool in Sydney totalled 1,029,984 bales and appraisements 1,014,033 bales.

Australian appraisements total 3,233,293 bales and about 360,000 bales are yet to be appraised. The average appraised value is 14.1d. per lb. (greasy) which will be adjusted at the end of the season to the average contract price, 15.45d.lb.

DAIRYING INDUSTRY.

From 12th May milk supplies to householders in Sydney and Newcastle were reduced from 86% to 80% of normal. Priority in supplies is to be given to nursing and expectant mothers (10½ pints weekly), children-aged 6 months to 6 years (10½ pints) and aged 6 to 9 years (7 pints), invalids (up to 14 pints according to medical certificate).

Butter production in N.S.W. (8.4 m. lb.) in March, 1944, compares with 10.2 m. lb. in the previous month and 8.6 m. lb. in March, 1943. Production (76.2 m.lb.) in the nine months ended March, 1944, was 2.9 m. lb. less than last year.

BUTTER PRODUCED - N.S.W. FACTORIES. 000,000 lb.

Period	Average 1934-5/1936-7	1939/40	1940/41	1941/42	1942/43	1943/44
July to Sept.	18.1	20.3	13.5	15.1	16.5	11.5
Oct. to Dec.	36.6	37.4	27.6	24.0	30.8	33.3
January	15.1	12.6	14.4	6.7	13.0	12.8
February	13.4	10.6	12.8	8.3	10.2	10.2
March	14.0	9.6	11.7	10.1	8.6	8.4
Total 9 months	97.2	90.5	83.0	64.2	79.1	76.2
Balance of year	23.9	21.5	20.7	20.9	14.7	...
Year	121.1	112.0	103.7	85.1	93.8	...

Australian butter production (12,198 tons) in the month and (131,496 tons) in the nine months ended 31st March, 1944 was 1158 tons (8.6%) and 9,150 tons (6.5%) respectively less than last year.

Cheese production (2117 tons) in March, 1944, was 70 tons less than in March, 1943, but the total for the nine months was greater by 717 tons.

BUTTER AND CHEESE PRODUCED - AUSTRALIAN FACTORIES.

Year	Month of March.		Nine months ended March.	
	Butter	Cheese	Butter	Cheese
	Tons	Tons	Tons	Tons
1941/42	14,505	2,117	128,630	24,185
1942/43	13,356	2,187	140,646	31,109
1943/44	12,198	2,117	131,496	31,826

SUBSIDY FOR DAIRY PRODUCTS.

1. Cream supplied to factories for the manufacture of butter, cheese, condensed and powdered milk, etc. In the year April, 1943, to March, 1944, the Commonwealth provided a fixed sum of £6.5 m. for subsidy. This was distributed by interim monthly payments equivalent to 30s. 4d. per cwt. ($3\frac{1}{2}$ d. lb.) of commercial butter and a final payment at the end of the year (made this month) of 5s.2d. a cwt. (approx. $11\frac{1}{2}$ 0d. lb.) of butter. Subsidy for the full year was at the rate of 35s.6d. a cwt. (approx. $34\frac{1}{5}$ d. lb.) of butter.

For the year April, 1944, to March, 1945, subsidy is to be provided at a rate equivalent to $4\frac{1}{2}$ d. lb. of butter, the total sum involved depending on the volume of output. There is to be a basic monthly distribution throughout the year at the rate of $3\frac{1}{2}$ d. lb. of butter and the balance of subsidy (i.e. amount calculated at the rate of 1d. lb. of butter on the year's output) is to be paid on the production of "non-Flush" months (in N.S.W. the eight months April to October, 1944, and March, 1945, are taken as "non-flush" months). The object of this additional seasonal subsidy is to encourage production in the months when there is the greatest scope for improvement. About half the year's output is obtained in the "non-flush" months so that the rate of seasonal subsidy will be in the region of 2d. lb. of butter.

To enable dairy farmers to plan ahead it has been announced that the scheme of subsidy adopted for 1944/45 will operate also in 1945/46. At the end of 1944/45 the scheme is to be reviewed and an announcement made whether it will be extended for a third year.

2. Fresh Milk. Dairy farmers supplying milk to the Milk Board in Newcastle and Sydney are to receive an additional $3\frac{1}{2}$ d. a gallon, of which $2\frac{1}{2}$ d. is to be paid by the Commonwealth Government and 1d. by the State Government. These payments are to be made retrospectively to 14th April. The payment by the State is a temporary measure pending an investigation by the Prices Commissioner into the cost of producing milk within the milk zone. A final basis of Commonwealth assistance will be decided after completion of the cost investigation.

With the payments mentioned the returns to suppliers of milk to Sydney and Newcastle will be increased to 1s.7 $\frac{1}{2}$ d. a gallon at country depots. This is estimated by the Acting Prime Minister as equal to 1s.9d. a gallon delivered to the City. The Commonwealth scheme of winter subsidy under which suppliers of fresh milk to other Australian capitals receive 1s.6d. a gallon (Adelaide 1s.5d.) was described in B.S.1944 (2B).

PART II - FINANCE, TRADE, ETC.

The 1st Victory Loan (£150 m.) was fully subscribed. Subscribers numbered about 440,000 as compared with 567,000 to the 4th Liberty Loan (£126 m.) in November, 1943. New money loans floated by the Commonwealth since July 1939 are listed below -

<u>Date</u>	<u>£ million</u>	<u>Date</u>	<u>£ million</u>
1939/40 - March	18.2	1942/43 - Nov.	82.7
May	<u>20.6</u>	March	<u>101.8</u>
1940/41 - Nov.	28.5	1943/44 - Nov.	126.4
April	<u>35.9</u>	March	150.0 (Approx.)
1941/42 - Oct.	34.2		
Feb.	48.3		
June	<u>37.3</u>		

Additional amounts raised by sale of War Savings Certificates were: £6.1 m. in 1939/40, £11.3 m. in 1940/41, £8.8 m. in 1941/42, £9 m. in 1942/43, and £6.6 m. in the nine months ended March, 1944.

Orders have been gazetted fixing maximum wholesale and retail prices of 319 lines of cotton materials manufactured in India, and specifying the landed costs on which the prices are based. Landed costs of current shipments were stated to be considerably above those scheduled and importers are being subsidised to the extent of the difference.

COMMONWEALTH ACCOUNTS.

In April, 1944, war expenditure amounted to £59.9 m. as compared with £53.2 m. in the previous month and £44.1 m. in April, 1943.

Excluding Income Tax reimbursed to States, expenditure in the ten months ended April, 1944, was £547.5 m. Expenditure on war, £451.3 m. was practically the same as in the previous year but civil expenditure, £96.2 m., was higher by £2.8 m. Revenue collections, £225.4 m. show an increase of £40 m. to which Income Tax contributed about £33 m.

COMMONWEALTH EXPENDITURE (EXCL. INCOME TAX REIMBURSED TO STATES).

£ million.

Service.	Estimates 1943/44	Month of April.		Ten Months ended April.		
		1943.	1944.	1943.	1944.	Increase or Decrease.
War (1939) from -						
Revenue	137.6	19.0	19.6	92.0	129.2	(+) 37.2
Loans	402.3	25.1	20.3	359.4	322.1	(-) 37.3
Total War	569.9	44.1	39.9	451.4	451.3	(-) 0.1
Other Revenue Services	117.9*	10.1	8.5	93.4	96.2	(+) 2.8
Total all Services	687.8*	54.2	48.4	544.8	547.5	(+) 2.7

* Excludes £27.4 m., unappropriated balance of £29.7 transferred to National Welfare Fund.

TREASURY BILLS.

With receipts to hand from the 1st Victory Loan, Treasury Bills outstanding on Commonwealth account decreased by £29.7 m. in April, 1944. Expansion in the issue to the end of April amounted to £114 m. or £74.5 m. less than last year.

/TREASURY

TREASURY BILLS IN AUSTRALIA ON COMMONWEALTH ACCOUNT.

Year	Amount Outstanding					Increase in	
	June	Dec.	Feb.	Mar.	April	10 months	Year
	£ millions						
1942/43	80.5	186.2	248.7	269.0	269.0	188.5	178.8
1943/44	259.3	362.0	384.0	403.0	373.3	114.0	...

STATE ACCOUNTS. for the ten months ended April, 1944, disclose a small deficit of £24,000 as compared with a surplus of £465,000 last year. There is an improvement of £165,000 in the balance of the Consolidated Revenue Fund but reductions in working surpluses of other accounts total £654,000, viz. business undertakings £200,000 and Main Roads Accounts £454,000. In the Main Roads Account revenue is lower by £99,000 and expenditure higher by £355,000.

N.S.W. GOVERNMENT ACCOUNTS.

Ten months ended April.

Accounts	1942/43	1943/44	Increase or Decrease (-)
	£000	£000	£000
Revenue - Consolidated Fund	23,255	23,327	72
/ Business Undertakings	34,064	35,523	1,459
Main Roads	2,281	2,182	(-) 99
Total	59,600	61,032	1,432
Expenditure - Consolidated Fund	31,280	31,187	(-) 93
/ Business Undertakings	25,978	27,637	1,659
Main Roads	1,877	2,232	355
Total	59,135	61,056	1,921
Excess of Revenue	465	(-) 24	489

/ Railways, Trams & Buses, Road Transport and Traffic Fund, and Sydney Harbour.

Net Loan expenditure on works during the ten months ended April was £1.8 m. in 1942/43 and £2 m. in 1943/44.

PRIVATE TRADING BANKS.

In March, 1944, deposits increased by £12 m. of which £2.2 m. was added to Fixed Deposits and £9.8 m. to Current Accounts. An increase (£1.6 m.) in Advances was the first since July last year. There was further large increase (£13.3 m.) in Special Wartime Deposits with the Commonwealth Bank which, at £164.5 m., are equal to 30% of the trading banks' deposit liabilities,

NINE TRADING BANKS - AUSTRALIA.

Liabilities and Assets within Australia.

£ million.

Av. of Weekly Figures.	Deposits.			Coin, Notes, etc. & Cash at C'wealth Bank.	Treas-ury Bills.	Govt. & Municipal Securities.	Special Wartime Deposits with C'wealth Bank.	Advances, Discounts, etc.
	Bearing Interest (Fixed)	Not Bearing Interest (Current)	Total					
1939-June	200.9	117.1	318.0	28.6	23.9	22.1	-	291.7
1940 "	210.3	135.1	345.4	31.1	38.3	43.7	-	289.9
1941 "	204.9	155.1	360.0	33.3	36.1	61.9	-	283.7
1942 "	192.0	195.9	387.9	40.4	39.6	56.3	36.4	268.3
1943 "	197.4	256.1	453.5	33.4	50.8	75.7	102.9	246.0
1945-Jan.	192.4	236.9	429.3	46.4	70.7	61.1	71.0	240.2
Feb.	193.6	248.3	441.9	40.5	81.1	61.2	79.0	235.3
Mar.	197.1	262.3	459.4	44.8	82.7	63.2	89.2	234.2
1944-Jan.	212.8	297.7	510.5	47.2	72.2	80.4	138.7	226.1
Feb.	216.0	311.0	527.0	48.1	75.8	80.5	151.2	222.8
Mar.	218.2	320.8	539.0	45.4	76.0	80.5	164.5	224.4

BANK CLEARINGS.

The amount of clearings (£1,084 m.) in the nine months ended March, 1944, was 10% above last year.

INTER-BANK CLEARINGS - SYDNEY.

Period.	Amount of Clearings x			Index +		
	1941-42	1942-43	1943-44	1941-42	1942-43	1943-44.
	£m.	£m.	£m.			
Oct.	101.8	115.0	115.5	123	138	152
Nov.	99.6	105.0	129.3	124	135	149
Dec.	104.9	121.6	127.3	124	136	150
Jan.	92.0	106.7	107.5	123	136	150
Feb.	97.1	105.7	121.2	123	139	147
Mar.	102.6	123.4	130.1	119	138	146
July to March	878.9	981.7	1,084.2

x Treasury Bill transactions deducted. + Three months' moving average.
Base: average in corresponding month 1926-1930 = 100.

NOTE ISSUE.

Australian notes in the hands of the public amounted to £166.5 m. at 24th April, 1944. This is five times the amount in April, 1939, and £43 m. more than a year ago.

AUSTRALIAN NOTES HELD BY PUBLIC.

	April 1939	April 1941	April 1942	April 1943	1944			
					Jan.	Feb.	Mar.	April
£ millions	33.2	50.9	81.0	123.5	148.8	152.3	161.2	166.5

